

FISCAL NOTE WORKSHEET (Revised Nov. 2006)

Agency: Utah State Office of Education
Ben Leishman
 Requested By

Bill Number SB 80 Sub 1

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Fax/Electronic Mail Transmittal

Date: _____
Name: _____
Fax Number: _____

Please return to Fiscal Analyst by: February 22, 2007

TITLE OF BILL: Education Reform

This Bill Takes Effect: ☐ On Passage ☒ On July 1 ☐ 60 Days after session ☐ Other _____
 Bill Carries Own Appropriation: ☐

FISCAL IMPACT OF PROPOSED LEGISLATION

A. Revenue Impact by Source of Funds:

First Year

Second Year

	First Year	Second Year
1. General Fund		
2. Unifrom School Fund - Free Revenue		
3. Transportation Fund		
4. Collections		
5. Other Funds (List Below)		
6 Local Funds		
7. TOTAL	\$0	\$0

B. Expenditure Impact by Source of Funds:

1. General Funds		
2. Unifrom School Fund - Free Revenue	\$124,089,280	\$74,089,280
3. Transportation Fund		
4. Collections		
5. Other Funds (List Below)		
6 Local Funds (IT and ELL matching funds)	\$56,686,000	\$26,686,000
7. TOTAL	\$180,775,300	\$100,775,300

C. Expenditure Impact Summary:

1. Salaries, Wages and Benefits (new USOE staff)	\$515,700	\$515,700
2. Travel		
3. Current Expenses		
4. Capital Outlay (charter school building subaccount)	\$2,000,000	\$2,000,000
5. Other (new programs)	\$178,259,580	\$98,259,580
6. TOTAL	\$180,775,300	\$100,775,300

D. Impact in Future Years?

If no fiscal impact in first two years, indicate if there will be any impact in future years, and explain. Also, indicate any significant changes in fiscal impact beyond the first two years. (Use back side, if necessary.)

All appropriations except part of one for the IT program are intended to be ongoing indefinitely or until repealed beyond the horizon of this note.

E. Identify Sections of the Bill That Will Generate the Additional Workload or Cost Increase

Critical Languages Program, English Language Learner Family Centers, Instructional Technology Classroom Program and Advisory Committee, School Building Revolving Account. See Section I for a description of differences between this substitute and the original.

F. Expenditure Impact Details (*Ties to totals in Section C*)

Local Replacment -- see tab for details on that program; analysis suggests shows that the amount appropriated is reasonable. **Charter School Administrative** -- FY 2006 expenditures per student at the district level for administration are \$61, so the allocation per student (\$120) seems more than adequate, and the total is reasonable (24,129 projected Fall 2007 charter students * \$120). **Other** -- Not much can be done with the other figures, which seem more or less arbitrary.

G. No Fiscal Impact or Will Not Require Additional Appropriations?

See attachment to original note on cost of managing the IT program.

H. If Bill Carries It's Own Appropriation:

Where they can be verified, as noted above, the amounts appropriated seem reasonable or even generous; where they can't, purposes are not stated precisely enough to support a quantitative analysis of the adequacy of funding.

I. Impact on Local Governments, Businesses, Associations, and Individuals

Local School Districts/Charter Schools : LEAs already do IT planning, but will have to come with approximately \$56.7 million collectively in matching funds from local, federal or private sources to claim both the IT and ELL appropriations. Since this is more than the state receives via NCLB Title I Part A, and LEAs cannot easily make up losses out of their own sources when NCLB funds fall short of expectations, as they often do, it seems likely that a significant portion of state funds will not be claimed.

Businesses and Associations : The "private sector" is targeted explicitly to receive \$3 million of the Instructional Technology Classroom money (lines 658-661) and approximately \$325,000 from textbook publishers (lines 330-344). While common sense in the latter case suggests that this additional cost of doing business will be passed along to districts, the USOE inexplicably softened its note to claim such may not be the case (see the difference between the original and revised USOE notes to HB 364 S1); if so, why are charter schools, which are legally obligated to offer the same core curriculum, exempt?

Individuals : None.

Narrative Description of Bill : Main differences from original: (1) \$5 million in state start up funds for charters which do not qualify for federal start up funds. (2) IT funds will be allocated on prior year ADM and must be matched dollar for dollar by LEAs. (3) Districts have to obtain an independent evaluation of instructional materials but charters do not have to. (4) Use of \$2 million of IT funds to provide "technology assisted testing" of U-PASS required assessments and the UBSCT. (5) Correction of error requiring IT Committee to review "class size reduction" plans.